

## NEWS RELEASE



**Office of the Attorney General  
Robert E. Cooper, Jr.**

**Department of Commerce and Insurance  
Commissioner Leslie Newman**

FOR IMMEDIATE RELEASE  
Oct. 28, 2008  
#08-44

CONTACT:  
Sharon Curtis-Flair  
(615) 741-5860

### **ATTORNEY GENERAL FILES SUIT AGAINST TENNESSEE FORECLOSURE RESCUE COMPANY**

Tennessee Attorney General Bob Cooper filed suit today to stop a Tennessee foreclosure rescue company and its two principals from charging service fees to consumers and then failing to follow through with the services promised.

The lawsuit filed today alleges violations of consumer protection laws. Attorney General Cooper on behalf of Mary Clement, director of the Division of Consumer Affairs, sued Tennessee Housing Protection Agency, Inc. (THPA), its Executive Director Mark Jones, and its Program Director Ted Houston. The defendants are also doing business via the Internet at [www.tnhpa.org](http://www.tnhpa.org). Tennessee Housing Protection Agency is located at 3895 South Perkins Drive, Suite 7, in Memphis.

"With foreclosures in Tennessee going up, we are concerned that homeowners across the state may turn to "foreclosure rescue" operations such as this that in some cases offer only false hope," said General Cooper.

The State's complaint, which was filed in Shelby County Chancery Court, also alleges that the company's name is misleading and deceptive to consumers. Tennessee Housing Protection Agency appears to be a copycat name which sounds like an agency authorized by the State. Defendant Tennessee Housing Protection Agency, Inc. is not a government agency and is not affiliated with the State of Tennessee.

Memphis Area Legal Services also filed lawsuits today in Shelby County Chancery Court against the defendants.

"We really appreciate Memphis Area Legal Services and the Tennessee Housing Development Agency for their work on this matter," General Cooper said. "All of our offices are dedicated to

helping protect consumers from what may be fraudulent services, especially during times of economic downturn.”

Free certified foreclosure counselors are available to help consumers who are facing foreclosure in Tennessee. A network of free certified foreclosure counselors is available to consumers by calling 2-1-1 or going to the Tennessee Housing Development Agency’s website at <http://www.thda.org/foreclosure/counselors.pdf>. The Tennessee Housing Development Agency (THDA) is affiliated with the State of Tennessee. Consumers may file complaints about foreclosure rescue companies or other consumer issues by calling DCA or going online to [www.tennessee.gov/consumer](http://www.tennessee.gov/consumer).

Director Clement added, “We don’t want vulnerable consumers who are facing foreclosure to spend money that they don’t have when free certified counselors are available to help them. Consumers who have paid for foreclosure rescue services from THPA, Mark Jones, Ted Houston, and had problems should contact the Division of Consumer Affairs at (615) 741-4737 or 1-800-342-8385 (toll-free inside Tennessee).”

For more information on the lawsuit, please visit the Tennessee Attorney General’s website at [www.tn.gov/attorneygeneral](http://www.tn.gov/attorneygeneral).

Some red flags of possible rescue scams include:

- \*Be concerned about a company that requires payment up front for services later. Also, be wary if a company will only take payment by cash, certified check or wire transfer even if the company claims the money will “go toward your mortgage.” Free services are available.

- \*Ask why a company needs your personal information if the company is asking for your personal information.

- \*A reputable company cannot generally guarantee that your home will be saved from foreclosure without knowing all of the circumstances involved.

- \*Beware of a company using high pressure to get you to sign a contract. Consider discussing any big decisions with someone you trust.

- \*Question anyone who makes an offer that seems too good to be true. Check with the Division of Consumer Affairs, Better Business Bureau and consumer groups to make sure the company is in good standing with the required credentials and licenses.